



## **PROCEDURE TO RE-SELL BMR HOMES (Buyer Selected from BMR Application Pool)**

If you are considering the sale of your BMR home, please contact the Business Assistance and Housing Services Department at (408)776-7373.

### **Notice of Contemplated Sale**

1. Upon receipt of notice indicating the seller/s contemplated sale of their BMR home, the City will assist the sellers as follows:
  - 1.a The City will conduct an inspection of the premises, note the general condition of the home, and indicate repairs, if any.
  - 1.b If the seller has capital improvements to report, it will be necessary for the seller to submit a list indicating the improvements, corresponding receipts, and building permits.
  - 1.c The City will review the improvements claim, inspect/verify improvements, and inform the seller the results on an itemized report.
  - 1.d Upon review of the improvements claim, the City will issue the adjusted resale price as the approved final resale price.
- Notice of Decision to Sell
- 1.e The owner notifies the City in writing of the decision to Sell.

### **Buyer Selection Process**

2. The City will select the next eligible buyer from the existing application pool by completing the following:
  - 2.a The City will inform BMR applicants that the subject property is available for sale.
  - 2.b To view the home, BMR applicants will either be given the seller's phone number to arrange an appointment, or the Seller's agent will arrange the appointments with the seller.
  - 2.c BMR applicants will be asked to report to the City within three days if they are interested in the purchase of the home.

- 2.d Seller will be notified of the BMR applicant decision to purchase the home.

### **Sale of Home**

3. The City is not an agent for either the Buyer or the Seller. The City functions as a monitor to ensure compliance with the Resale Restriction Agreement.
- 3.a The seller will present the buyer a sales agreement and other pertinent documents related to the sale of real estate as required by California Law. Real Estate Agent fees are the responsibility of the party contracting the service/s.
- 3.b When the parties have agreed on the sale terms, Buyer and Seller will sign the sales agreement and other pertinent documents.
- 3.c The contract must include an addendum indicating that the buyer is eligible to participate in the program and as a condition to sell the buyer will execute and record at the close of escrow a 30-year Resale Restriction Agreement
- 3.d The City will have the buyer execute the Resale Restriction Agreement and will place a notarized original into escrow with instructions to record upon closing.

### **Seller Responsibilities:**

1. Seller will comply with all terms and conditions of the *Property Value Restrictions, Resale Agreement and Option to Purchase*;
2. Seller will disclose all aspects of the unit including but not limited to homeowner's association dues, Mello Roos, etc.
3. Upon receiving the City's buyer referral, Seller will proceed with sale.
4. Seller or Seller's Agent will prepare:
  - a. Real Estate Purchase Contract and Receipt For Deposit;
  - b. Real Estate Transfer Disclosure Statement;
  - c. All other documents as required by federal, state, or local law(s) in regards to the sale of real property;
  - d. At close of escrow, hand-deliver or mail to City copies of:
    - I. Executed purchase contract
    - ii. Confirmation of recordation of BMR Resale Restriction Agreement
    - iii. Copy of recorded Request for Copy of Notice of Default

### **City's Responsibilities:**

1. City representative will certify whether potential buyer is eligible based on approved agreements and documents submitted by buyer to City;
2. Within 30 working days of BMR Notice of Decision to Sell, City will notify Seller of eligible buyer including pertinent information (Buyer's name, address, phone number, etc.)

3. Upon receiving buyer referral letter from City, Seller/Agent will proceed with Sale. Seller/Agent must instruct escrow to record the Resale Restrictions Agreement (to be prepared by City) and Copy of Notice of Default and instruct escrow to forward a certified copy of both recorded documents to the City at the close of escrow.

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